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Governor should make high-speed rail part of his legacy

Quentin L. Kopp Friday, July 6, 2007

Twelve nations now operate high-speed trains, many more than did in 1996 when the measure creating the California High Speed Rail Authority was enacted. Now California 's project could be derailed.

The editor of Railway Age magazine has characterized it as "nothing short of a national shame -- our inability as arguably the world's most formidable economic and military force to build a kind of high-speed passenger rail system that is revolutionizing ground transportation in the rest of the developed world and providing vast populations with a gift of mobility."

The California rail authority, using private contractors and, until recently, only three full-time employees, has produced an Environmental Impact Report and Environmental Impact Statement to comply with California and federal law. In the last fiscal year, the authority used its \$14.3 million in state funding to deliver preliminary engineering design and related environmental studies, with some 400 people working under 90 private contracts to complete detailed drawings and documents that establish right-of-way acquisition procedures. In doing so, the rail authority used the funds, in Gov. Arnold Schwarzenegger's words, "to begin project implementation."

During the past 11 years, Californians have invested nearly \$47 million in the high-speed rail project, thus laying the foundation for the \$9.950 billion state bond issue that is scheduled to go before the voters in November 2008. If approved, this bond funding would allow construction to begin in 2009 of the project's first phase: a track and train linking San Francisco to Anaheim via Los Angeles in 2 1/2 hours.

Yet the governor recommended a budget of only \$1.159 million for 2007-2008. The rail authority had requested \$103 million to complete project engineering and environmental studies and to purchase land for the most essential right-of-way.

The Joint Assembly-Senate Conference Committee on the Budget Act has determined that the project merits \$55 million, consistent with the governor's 2006 statement that his approval of the rail authority's budget would empower it to "move forward with key aspects of the project." The rail authority has done just that.

A general financial plan, completed five years ago, was replaced by a specific plan in May. A project manager was hired. The rail authority identified "critical right-of-way acquisitions ...". A simulator for planning system operation and public information was built and is in use.

On the other hand, one of my rail authority colleagues, David Crane, a special adviser to the governor, wrote The Chronicle in May 16 to say that the rail authority "has spent more than \$40 million, yet there is still no financing plan." He suggests that spending \$103 million this fiscal year for purposes endorsed and encouraged by the governor "could end up being wasted, if the authority is unable to finance the project."

The governor implies that venture capital will build the entire \$40 billion system from San Diego to Sacramento. All financial experts promulgating the project financial plan observe, however, that private capital won't be invested without a financial

commitment by the owner, the people of California. The rail authority's financial plan, in fact, contemplates broadly a one-third private, one-third federal and one-third state investment.

High speed trains now operate on 3,034 miles in 10 European countries; another 1,711 or more miles will be added in three years.

Japan boasts more than 1,300 high-speed rail miles. China contemplates almost 4,000 miles of high-speed lines. Unless we pursue vigorously this year, next year and in 2009, the reality of high-speed rail in California, we will have indeed wasted not only the \$14.3 million the governor ordered us to spend in fiscal 2006-2007, but all the funds spent during the past 11 years for valid environmental and engineering data to build the project.

No better legacy exists for our governor than leaving current and future generations a 220 mph train system, reducing carbon emissions, meeting mandated air-quality goals and creating some 350,000 job years in construction and 450,000 new permanent jobs, all without taxpayer-funded operating subsidy, once first-phase service begins.

As indisputably the state's best advocate, the governor is uniquely qualified to champion high-speed rail to inception. The time is

Retired Judge Quentin L. Kopp is the chairman of the California High Speed Rail Authority and the author of the 1996 legislation authorizing the agency.

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